

# TOKYO GAZETTE

A MONTHLY REPORT OF CURRENT POLICIES,  
OFFICIAL STATEMENTS AND STATISTICS

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The TOKYO GAZETTE is published monthly by the Foreign Affairs Association of Japan under the supervision of the Bureau of Information, Prime Minister's Department. Its purpose is primarily to supply information concerning the nature of problems being confronted today by the Japanese nation as a whole, and of the governmental steps being taken to solve these problems.

The material in the TOKYO GAZETTE is selected mainly from the *Weekly Report*, edited by the Bureau of Information. The accuracy and comprehensiveness of data presented in the *Report* are fully established. For the benefit of students of Japanese affairs, the TOKYO GAZETTE is endeavouring to maintain these qualities in the hope that its publication will eliminate unfortunate misunderstandings and thus contribute to world peace and international goodwill.

# THE PROGRAMME FOR ECONOMIC DEVELOPMENT OF CHINA

BOARD OF PLANNING

## I

**N**OW that Canton and the Wuhan district, two of the most important military and political bases of the Kuomintang Government, have been captured by Japanese forces, the immediate action necessary to consolidate the achievements of military triumph is the work of assisting in economic reconstruction and development in the occupied areas. In certain areas, the part of Central China with Shanghai as its centre and in the Shantung district where severe fighting took place and where devastation caused by retreating Chinese forces was sweeping, public utility enterprises such as transportation services, communications, power stations and water works as well as industries in general have been utterly dislocated—in a word, the economic structure as a whole has been destroyed. Even in North China and in towns and villages in rural districts in Central China, where damages caused by battles were comparatively slight, conditions of impoverishment, although in varying degrees, also prevail.

On the other hand, there are enormous quantities of natural resources lying undeveloped in these areas, which might have been exploited for the promotion of industries and consequently for the happiness and prosperity of the people. In trying to aid the new China, which is emerging under the rule of the new régime established in Peking and Nanking, in the work of economic development, Japan must not confine its activities within the domain of reconstruction in its narrower sense. The undeveloped natural resources must be utilized.

The main reasons for the failure of China under the Kuomintang Government to develop the resources lay in its lack of capital and technique and of stability in the political situation. Japan can now bring these qualifications to the new China so that resources necessary for the promotion of economic power and improvement of the general standard of living may be developed in full. And when this state of affairs is realized, the purchasing power of the Chinese people will naturally be increased, bringing about in turn the

increase of Japanese exports to China. Thus, development of natural resources in China has far-reaching consequences in realizing the ideal of economic collaboration not only between Japan and China but between the three neighbouring countries including Manchoukuo, which is the basic step for achieving the national purpose of establishing a new, ideal order in East Asia.

It has also an important bearing upon the life of the Japanese nation as the stabilizing force of East Asia in that it can supply Japan with materials such as iron, coal, salt and cotton, for strengthening its national defence and augmenting its productive power. The necessity of reconstructing and readjusting transportation, harbours, communications and electrical enterprises can be understood in this connection. Sufficient supply of those necessary materials from a country within the Yen bloc will, to a considerable extent, decrease Japan's overseas payments, while the coordinated adjustment of industries within the three countries of Japan, Manchoukuo and China, eliminating unnecessary competition and friction between them, will work greatly toward the adjustment of supply and demand of materials and the balancing of international payments.

These reconstruction activities, again, should not be considered only as post bellum measures. They are as vital and urgent as military operations and political activities; they are measures which must be carried out even while the hostilities are going on. For success in these measures will doubtless prove, on the one hand, to consolidate the new régimes and, on the other, to crush the Kuomintang Government.

### **Establishment of Special Companies**

As a concrete step for carrying out measures aiding reconstruction and development in China two special companies, the North China Development Company, Limited and the Central China Promotion Company, Limited, have now been established. They are holding companies for investing in and financing subsidiary companies directly engaging in reconstruction and development undertakings, as provided for in the Law concerning the North China Development Co., Ltd., and the Law concerning the Central China Promotion Co., Ltd., promulgated on April 30, 1938.

The purposes for which the two companies have been established are not the same. The company for North China is designed, as provided for in Article 1 of the special law concerned, to function in accelerating economic development in North China and in co-

ordination and adjustment of related undertakings; while the other company is designed, according to Article 1 of the Law, to function in promoting economic reconstruction and development in Central China.

Thus, in North China, where destructions caused by the hostilities have not been so heavy as in Central China and where an abundance of natural resources, such as iron, coal, salt, cotton, and wool is still undeveloped, Japanese aid is to be mainly for economic development. In Central China, forming the centre for Western investments and Chinese industries and the heart of the economic structure of China, where such development has already been made to a considerable extent, and where devastation has been as sweeping as that in the Tokyo-Yokohama districts after the great earthquake of 1923, the immediate necessity is reconstruction of industries and public utility enterprises, without which peace and order cannot be established, not to speak of starting construction and development activities. This is especially true of the need in Shanghai districts. Accordingly, Japanese aid in that part of China is to be for the rehabilitation and reconstruction of industries and public utility enterprises as well as for the further development of natural resources.

These differences are also reflected in the estimates for funds needed for their respective undertakings of the two companies. The North China Company is capitalized at 350,000,000 yen in view of the vastness of its development programme, while the Central China Company is capitalized at no more than 100,000,000 yen in view of its main objective which is the work of rehabilitation and reconstruction. Both concerns are also authorized to issue debentures up to an amount five times their paid-up capital. These funds together with the capital to be invested in subsidiary companies by the Chinese both in money and goods and that to be invested in them by private Japanese, amount to several billion yen.

### Subsidiary Companies

As has been previously stated, the two companies, being holding companies, do not in principle operate directly any business enterprises. Their business will be to organize many subsidiary companies, to invest in and finance them and to coordinate and adjust their operations. In the case of the concern for Central China, however, it can, under some special circumstances, operate business enterprises directly.

What will be the enterprises of those subsidiary companies?

Article 14 of the Law concerning the North China Development Company, Ltd., provides :

That the North China Development Company, Limited, shall invest in and finance enterprises named below, and coordinate and adjust their operations :

1. Enterprises relating to transportation and harbour and port improvements.
2. Enterprises relating to communications.
3. Enterprises relating to generation and transmission of electricity.
4. Enterprises relating to mining.
5. Enterprises relating to manufacture, sale and utilization of salt.
6. Enterprises other than the above-named whose coordination and adjustment are particularly necessary for accelerating economic development in North China.

Likewise, Article 12 of the Law concerning the Central China Promotion Company, Limited, provides :

That the Central China Promotion Company, Limited, shall invest in and finance enterprises named below :

1. Enterprises relating to transportation.
2. Enterprises relating to communications.
3. Enterprises relating to electricity, gas and waterworks.
4. Enterprises relating to mining.
5. Enterprises relating to fisheries.
6. Enterprises other than the above-named which are necessary for promotion of public utilities or industries in Central China.

The Central China Promotion Company, Limited, may, under special circumstances, directly operate the above-named enterprises, on approval by the Government.

These subsidiary companies, since they are the concerns operating directly in China, are expected to be established as corporations of Chinese registry under Sino-Japanese joint management. The question as to whether the principle of one company for one class of undertakings will be applied here will depend upon the classes of undertakings. As a matter of fact, decision has not been made on this matter.

Coordination and adjustment of the operation of subsidiary companies, as provided in the Law concerning the North China Company, is designed to eliminate the possible occurrence of circumstances which may hinder synthesized growth of various enterprises relating to development of natural resources and other industries which will be started in that area. In the case of the concern for Central China, however, there is no such provision in

the Law. This can be accounted for by the fact that in this area Japanese aid, except in a few cases of enterprises to be started, will be mainly directed toward rehabilitation, replenishment and extension of the existing enterprises, which can be effected by controlling important matters of investment and financing and by thus regulating their operation. In both cases, a certain degree of guidance will invariably be given through the power of capital in the hands of holding companies.

### Privileges Granted to the Two Companies

The missions of the two companies are highly important from the point of view of the current national purposes. Moreover, their business may not be profitable from the first and many serious difficulties may stand in the way of their successful operation. In view of these positive and negative factors which render the undertakings extremely momentous, the Government, besides making necessary investments in them, grants the two Companies many privileges by way of protection as provided in their respective Laws.

Hence the Government invests in the concern for North China 175,000,000 yen, representing half the total amount of authorized capital of 350,000,000 yen; and in the concern for Central China 50,000,000 yen, representing also half the total amount of its authorized capital of 100,000,000 yen. Of these governmental investments, certain amounts will be in forms of goods, which consist mainly of materials necessary for repair and construction of rolling stock, bridges and rails which have either been destroyed or taken away by the Kuomintang Government.

Recognition of the right of these two companies to declare preferential dividends on shares owned by private interests, by which dividends of 6 per cent per annum are assured, is another important privilege to be granted to them. For this purpose the Government will grant them subsidies of a certain fixed amount for the period of 5 years, beginning with the first year of their operation. As for the debenture issue, it has already been explained. A privilege to be granted here is that payment of both principal and interest will be guaranteed by the Government.

Privileges generally entail supervision. The two companies do not constitute exceptions to this rule. They are required to get the approval of the Government with regard to raising loans, making changes in the articles of association, carrying out resolutions of merger and dissolution, and disposal of profits. With regard to plans for investment and financing for each fiscal year, also, they are

to get governmental approval. Furthermore, the Government may give the companies such orders as are deemed necessary for the purpose of their supervision and of national defence. These and other supervisory measures are provided for in the Laws.

All necessary steps for establishment of the two companies were completed on November 7th. Messrs. Sonyu Otani and Kenji Kodama were appointed Governors of the North China Development Company and the Central China Promotion Company respectively by the Government. The fact that shares offered for public subscription were over-subscribed indicates the enthusiastic support given to the whole programme of economic reconstruction and development of China by the Japanese people at large. As for the capital paid up, it represents one-fourth of the authorized capital, ¥12.50 per share of ¥50, in the case either of the North China or the Central China Company.

The most vital as well as most interesting part of the whole programme is perhaps the detailed account of how and where reconstruction and development undertakings will be operated—in other words, detailed programmes for the activities of subsidiary companies. These will be given in the January issue of TOKYO GAZETTE in full.



## A REPORT CONCERNING COLLECTIVE EMIGRATION TO MANCHOUKUO

DEPARTMENT OF OVERSEAS AFFAIRS

**W**HAT has been termed the experimental emigration to Manchoukuo under the supervision of the Department of Overseas Affairs, which was undertaken in 1932 with an initial group of 500 emigrants, completed its programme of sending out 1,800 men in four consecutive years, with not only satisfactory but encouraging results. Thereupon, 1,000 families were sent out the following year to colonize in a few selected places in the new State on a permanent basis. Further investigation and study of the matter has developed into the enlarged programme, now in operation, of sending out 1,000,000 families in 20 years.<sup>1</sup>

The present report relates only to the second group of the experimental emigration which colonized Hunanying in Sanchiang Province. This group can, however, be taken as giving a representative account of the development of similar groups and settlements, and as such can tell something of the future of Japanese emigration to the Continent.

### Details of the Colonization

The settlement, which is called Chiburi Go,<sup>2</sup> is situated to the east of Harbin and in the centre of Sanchiang Province. Blessed with good climate, fertile land and excellent supply of water, it is well qualified in every respect for farming and stock-raising. The only inconvenience being felt at present is the shortage of wood for fuel. Even this, however, can be eliminated by improving transportation facilities between the settlement and a virgin forest about 25 miles away. There are also rich coal and alluvial gold resources in the neighbourhood.

The group settled there in July, 1933. With the first spring in 1934, they experienced raids conducted by 4,000 bandits. After

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1. See, for reference, an article entitled "Emigration of Japanese Youth to the Continent" which appeared in the June (No. 12) number of Tokyo Gazette.

2. Originally an administrative division in ancient China and feudal Japan which was generally smaller than a county and larger than a village.

they overcame this first, deadly trial by their united will and armed strength, nothing serious stood in the way of their colonization. Thus, in 1935 they were able to welcome their families to new homes; in 1936 they were confident of success of their farms which by then had become well managed and economically established enterprises; and today they are prosperous in their material as well as family life.

The Go covers an area of approximately 30,000 acres; about half of this area is cultivated and about half of the uncultivated land is arable. The area now contains 17 villages. When the group first settled there, there were only a few insignificant Manchoukuoan communities with a total population of not more than several hundred. From the third year of the Japanese colonization onward, however, the population of native communities began steadily to increase, particularly with the progress of construction and commercial activities and the opening of the railway service, totalling at present more than 10,000. All public institutions of the Go are situated in and around the town of Hunanyin; and its villages, which are grouped according to native places of the emigrants, are constructed generally in the central parts of their lands. As for Manchoukuoan communities, they are dotted over the whole Go, lying between Japanese villages. The national highway runs through the centre of the Go and roads between villages are well constructed so that police and emergency cars can be efficiently utilized in conjunction with the police telephone. The railway station<sup>3</sup> and Japanese military and Manchoukuoan post offices make connections with the outside world complete, while the newly opened electric light service brightens the homes and hearts of the settlers. The number of the original group was 490, of which many left the settlement on account of sickness and for other reasons while others died of sickness and in action against bandits, thus causing a considerable decrease in the original number. On the other hand, many joined the group because of certain relationships with the original members. The present number of houses is 346 with a total population of 1,205. The following table will give readers some idea of their community life.

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3. A station on the line connecting Scishin (Korea) and Chiamussu, Sanchiang Province, Manchoukuo.

## JAPANESE POPULATION OF CHIBURI GO CLASSIFIED ACCORDING TO THEIR VILLAGES AND RELATIONSHIPS WITH THE ORIGINAL GROUP

Villages	Original Members of the Group	Members of families joined	Children Born at the Go	Total
Aomori	11	20	3	34
Akita	8	13	3	24
Yamagata	43	113	28	186
Miyagi	28	46	20	94
Fukushima	22	39	16	97
Nagata	34	74	24	132
Toyama	14	38	8	60
Ishikawa	11	21	3	35
Fukui	16	41	9	66
Wakasa	3	9	3	15
Nagano	27	70	28	119
Yamanashi	33	73	18	126
Kanagawa	3	7	3	13
Gunma	10	20	4	34
Tochigi	13	23	7	47
Hokkaido	27	31	17	95
Nadeshiko	3	1	—	4
Mizuho	3	2	—	7
Total	319	681	194	1,198
Leaders	6	1	—	7
Grand Total	325	686	194	1,205

## Farm Products

Principal farm products of the Go are soya beans, wheat, kaoliang, paddy-field rice and millet, in their cultivation the native method is used as a basis, which method, however, is supplemented by the use of improved seeds and implements. Vegetables also form one of the important items of its farm products, and it is expected that an area covering some 700 acres will be used for their cultivation in 1938. Besides these products, the cultivation of yellow tobacco has been successful. In the following table, the amounts of the principal products are given according to the years :

Year	Soya beans	Wheat	Kaoliang	Paddy-Field Rice	Millet
1933	—	—	—	—	—
1934	237	266	188	—	162
1935	1,443	1,377	451	1,080	802
1936	3,271	3,063	1,308	2,136	1,317
1937	4,774	3,361	1,672	1,360	1,308

Figures represent *Koku*, a Japanese measure of capacity, equal to 4.9629 bushels.

Selling prices per *koku*, excluding those of paddy-field rice, are shown in the following table, also according to years :

Year	Soya Beans	Wheat	Kaoliang	Millet
1933	2.00	5.20	2.40	2.40
1934	4.50	6.40	2.60	2.60
1935	4.80	6.00	4.00	3.60
1936	6.70	6.60	5.30	4.60
1937	10.80	11.10	6.00	4.00

Figures represent yen in Japanese currency.

Marked variations in prices are due to the improvement of transportation facilities on account of the opening of the railway service and to general prosperity.

## Stock-Raising

Besides raising horses and cattle which form indispensable live-stock for farming in Manchuria, pigs are raised as an easy and profitable side-line and sheep for wool for marketing purposes. Expert guidance by leaders and provision of a ranch of 7,000 acres are ensuring the increase and improvement of live-stock. Thus, a plan for increasing sheep, from the present 1,720 head to 10,000 head has been successfully inaugurated. The following table shows the results of activities in stock-raising up to the present :

Species	Female	Male	Total
Japanese horses	—	15	15
Manchurian horses	228	412	700
Milk cows	7	2	9
Cattle	341	29	370
Breeding sheep	—	56	56
Sheep (improved)	349	233	622
Sheep (native)	1,007	—	1,007
Swine (improved)	413	69	522
Swine (native)	780	125	905
Fowls	2,780	337	3,117
Goats	11	5	20
Bees	—	—	40*
Geese and ducks	98	40	138

\* Number of swarms

## Cooperative Undertakings

Cooperative undertakings along lines of processing, storage, consumption, banking, mutual aid, transportation, iron works, and building and engineering, most of which have recently been reorganized under a single cooperative society, are operating efficiently for the common interest of the emigrant group and their families. The reorganized society, which is of the limited liability, is capitalized at 250,000 yen and has the five departments of credit, consumption, processing, storage and sheep-farming. The following is a summary of its business report for 1937.

## 1. Credit Department

The total volume of business for the year amounted to 320,000 yen, with a net profit of 4,000 yen.

## 2. Processing Department

The total volume of business amounted to 205,000 yen, with a net profit of 25,000 yen. Among goods processed, flour, cleaned rice, bean paste and soy were used by the members, and kaoliang wine and bean oil were placed on the market.

## 3. Storage Department

During the year, 2,800 koku of soya beans, 400 koku of wheat, 200 koku of kaoliang and 200 koku of oats were handled, with a net profit of 200 yen.

## 4. Consumption Department

Total volume of business was 95,000 yen, with a net profit of 5,300 yen. The Department keeps on hand 30,000 yen worth of stock.

## 5. Sheep-farming Department

The Department was in possession of 1,720 head of sheep. The plan for increasing sheep to 10,000 head within the period of 10 years has been framed with a view to gaining the leading position in all Manchoukuo in the selling of wool and the manufacturing of homespun.

Other cooperative undertakings such as iron works, brick works, mutual aid, building and engineering have still been operated as separate, independent but coordinated organizations with similar efficiency and success.

Administrative, educational, religious and medical institutions of the Go have also been conducted with characteristic Japanese thoroughness, thus contributing to the consolidation and prosperity not only of the Japanese but of the Manchoukuoan community.

## SOME LEGISLATIVE MEASURES ASSISTING CHANGES IN OCCUPATIONS

DEPARTMENT OF COMMERCE AND INDUSTRY

**A** RESULT of the enforcement of the plan for mobilization of materials has been that considerable numbers of merchants and manufacturers have been forced to suspend or close their businesses, or to curtail business operations. This plan was put into operation in connection with the China Affair and was aimed at securing speedy and adequate manufacture of war supplies and at balancing the country's international accounts through restriction of imports and expansion of exports. Under the plan, strict economy is enjoined on all internal consumption of goods. Should the plight of those affected be left unremedied, the plan might defeat its own purpose by impairing the stability of national life and the nation's economic strength.

Aware of this possible danger, the competent authorities have determined to take the necessary measures to enable such industrialists and tradespeople to tide over the emergency by entering war-supplies industries and such other trades as are calculated to remove anxiety and unrest from these people, their families and employees.

Problems affecting industry and trade will be taken up by the Department of Commerce and Industry. Those pertaining to employees and workers will be handled by the Department of Welfare.

The ordinance of the Department of Commerce and Industry of September 21, 1938, provides for the creation in that Department of a temporary Bureau specially devoted to the study of the problem of changes of trade. Officers to take charge of this work are to be specially appointed and attached to all the prefectural offices. These officers, in close touch with the Central Government, will render concerted efforts to facilitate the changes of business. To finance this work, the Government has made an appropriation out of its reserves for the sum of 3,410,000 yen.

### Principles Underlying the Measures

The basic idea of all measures for ensuring changes in occupations is to minimize the sacrifices that may be entailed in the operation of the plan for mobilization of materials and to enable persons to

continue in existing businesses. Where, however, this is not feasible, all reasonable assistance will be given them to effect the necessary changes. By this means it is hoped that suspension and loss of business may be avoided as far as possible. In consequence of the mobilization of materials, however, a shortage in supplies of goods for private consumption has resulted and this, as has been stated above, gives rise to suspension and loss of trade among people with but limited means. Under the circumstances, changes in occupations must be made in one of the following three directions: (a) war supplies industries; (b) export goods industries; (c) substitute goods industries where raw materials are obtainable within Japan.

As to the manner of procedure of the present work, while it is important to ascertain the technical ability of each individual and the condition of his equipment, the measures to be applied should be worked out rationally and systematically. In the actual work to be undertaken, full use should be made of the associations of small- and medium-sized industrialists and merchants already in existence. Where people are without such an organization, they should be induced to form one and receive guidance so as to be able to effect changes of occupations in a rational manner.

### Remedial Measures

The measures to be pursued by the Bureau in charge of the work, mentioned above, lie along the following lines:

(1) To ensure readjustment in the distribution of orders centring in prosperous industries. Some sort of arrangement may be made with Government offices from which these business orders emanate and with the management of large factories, whereby a portion of the orders can be directed or shared by industries so as to correct the lack of equilibrium that exists in the industrial organization. Officers specially in charge of this work will be attached to prefectural offices to see that the distribution of orders and the maintenance of the standard of manufactures as well as their delivery are regularly observed. Officers will also be attached to the local groups affiliated with the Central Industrial Association. For financing this phase of the work, a sum of 42,000 yen has been allocated by the Treasury for the current year.

(2) Increasing technical experts in the prefectural offices to direct changes of occupations. For the purpose of facilitating changes to new trades it is necessary to give the applicants considerable amount of training. Technical guidance in prefectural offices will be

increased and training institutes in each prefecture will be conducted. Also, ways will be provided to enable people to take practical lessons in large factories. The Treasury has made an appropriation for a grant of 160,000 yen for this work.

(3) Further financial aid may be made for mechanical equipment required for effecting changes of trades. When many people seek to have equipment of their own, shortages in the necessary materials will result. A great majority of these people lack means wherewith to provide their own machinery. This state of affairs calls for the organization of associations of small industrialists, which will allow their members to make use of common equipment. These organizations will be partly subsidized by the Treasury. Government grants for the setting up of plants and equipments by the industrial associations for the year 1938-39 will amount to 3,300,000 yen in respect of change to war-supplies industries and to 1,000,000 yen in respect of change to the export and substitute articles industries.

(4) Government subsidies in the manufacture of sample goods for a time immediately after changes in occupations. The war-supplies industry requires speedy manufacture of fine machinery, but in case technical skill is wanting the manufactures are apt to fall short of the standard. This may prove to be a deterring factor in the successful change of trade. Likewise, change to the export and substitute goods industries is by no means easy because of the difficulty in acquiring new outlets due to lack of credit, technical skill and adequate advertising. To lighten the burden of preparing sample goods, at least for an early period, the Government will grant subsidies and has made an appropriation of 200,000 yen for the manufacture of samples of export and substitute articles as well as for the execution of orders taken from war-supplies manufactories.

(5) Prefectural offices will undertake the distribution, in small lots, of raw materials for export goods manufacture. In the manufacture of export goods, it so happens that, in spite of the possession of a large portion of materials, want of a small quantity of some other materials very often delays the completion of manufacture. Prefectural offices will see that small manufacturers in such a difficulty are promptly supplied with the needed materials; this task will be attended to by the technical experts attached to each prefectural office.

(6) Organization and alignment of commercial and industrial advisory organs. Where small- and medium-sized industrialists and merchants are unable to form associations due to lack of means or numbers, individual technical guidance must be given. There will, therefore, be established in each prefecture a Central Commercial



and Industrial Advisory Office, where direction and advice concerning change of trade, management and financing will be given by well-qualified advisers. Advisory organs already in existence will be aligned and brought under the control of the central organ. In aid of this work, the sum of 110,000 yen has been appropriated by the Treasury for the current year.

(7) Financing of capital required in the new trades. In addition to the sundry subsidies to be granted in connection with changes of occupations by people of small means, the Department of Finance, through the Treasury Deposit Bureau, will grant credit for part of the necessary capital up to the aggregate sum of 20,000 yen. The manner of administering these credits will be determined by the Departments of Finance and Commerce and Industry. Furthermore, the terms and conditions governing the loans actually extended to the small- and medium-sized industrialists and merchants will be made easier and broader so as to render them available also for the purposes under consideration in the present article. The system of indemnification by the Treasury for losses that may arise with Government guarantees in operation in the prefectures and the six largest cities will be extended to cover the present work.

These are some of the measures to be applied to ease the current situation. Developments in the China Affair may possibly affect the policy for commodity control, which may in turn give rise to a new economic and social situation to be dealt with. At any rate, all relief measures can be truly effective only when backed by the co-operation of the public and, in particular, of those getting handsome profits in prosperous industries.

## STATEMENT OF THE JAPANESE GOVERNMENT CONCERNING THE FUTURE OF EAST ASIA

*Dated November 3, 1938*

**B**Y the august virtue of His Majesty, our naval and military forces have captured Canton and the three cities of Wuhan; and all the vital areas of China have thus fallen into our hands. The Kuomintang Government exists no longer except as a mere local régime. However, so long as it persists in its anti-Japanese and pro-communist policy our country will not lay down its arms—never until that régime is crushed.

What Japan seeks is the establishment of a new order which will insure the permanent stability of East Asia. In this lies the ultimate purpose of our present military campaign.

This new order has for its foundation a tripartite relationship of mutual aid and co-ordination between Japan, Manchoukuo and China in political, economic, cultural and other fields. Its object is to secure international justice, to perfect the joint defence against Communism, and to create a new culture and realize a close economic cohesion throughout East Asia. This indeed is the way to contribute toward the stabilization of East Asia and the progress of the world.

What Japan desires of China is that that country will share in the task of bringing about this new order in East Asia. She confidently expects that the people of China will fully comprehend her true intentions and that they will respond to the call of Japan for their cooperation. Even the participation of the Kuomintang Government would not be rejected, if, repudiating the policy which has guided it in the past and remoulding its personnel, so as to translate its re-birth into fact, it were to come forward to join in the establishment of the new order.

Japan is confident that other Powers will on their part correctly appreciate her aims and policy and adapt their attitude to the new conditions prevailing in East Asia. For the cordiality hitherto manifested by the nations which are in sympathy with us, Japan wishes to express her profound gratitude.

The establishment of a new order in East Asia is in complete conformity with the very spirit in which the Empire was founded; to achieve such a task is the exalted responsibility with which our present generation is entrusted. It is, therefore, imperative to carry

out all necessary internal reforms, and with a full development of the aggregate national strength, material as well as moral, fulfil at all costs this duty incumbent upon our nation.

Thus, the Government declares to be the immutable policy and determination of Japan.

RADIO ADDRESS OF PRINCE FUMIMARO  
KONOE, PRIME MINISTER

*November 3, 1938*

I have the honour to state the views of the Japanese Government concerning the establishment of a lasting peace in East Asia—a task that has been handed down to us by the Emperor Meiji whose illustrious virtues we are commemorating today.

Following upon the capture of Canton, Hankow, the heart of China, was also taken, so that the so-called "Middle Plain" with its seven great cities, which virtually sustain the life of modern China, has now fallen into our hands. There is an old Chinese saying to the effect that "He who controls the Middle Plain controls the whole land." Thus the Chiang Kai-shek government is no longer anything but a local régime. Japan has achieved these results without overstraining her fighting power, which has always been kept at a level sufficient to ward off any intervention from the outside. We are moved, as never before, by the consciousness that this has been made possible by the august virtue of His Majesty, the Emperor, and the heroic efforts of His valiant officers and men.

In thinking of the glorious victories, our deepest gratitude goes out first to the tens of thousands of those who have been killed and wounded. Their noble sacrifices impose upon us, I feel, a two-fold obligation: first, to follow in the footsteps of those willing martyrs, and to achieve at all costs the ends for which they have fought, and secondly, to repay their services by doing all in our power for their families.

The key to China's fate is now in our hands. What, then, do we want? We want not the destruction of China but her prosperity and progress; not the conquest of China but cooperation with her. Working hand in hand with the Chinese awakened to a new consciousness of being people of the Orient, we want to build up an East Asia which is peaceful and settled. Allow me to state that no country is better aware than Japan of the ardent national aspirations of the Chinese, nor feels more keenly the need that China shall vindicate her position as a completely independent state

It is an historical necessity that the three great neighbour nations, China, Manchoukuo and Japan, while fully retaining their respective individuality should stand closely united in their common duty of safeguarding East Asia. It is deeply to be deplored not only for the sake of Japan but for that of all Asia that the attainment of this goal has been thwarted through the mistaken policy of the Kuomintang Government. The policy of that government was based on the transient tide of the period that followed the Great War. It did not originate in the inherent intelligence and good sense of the Chinese people. In particular, the conduct of that government, which in its efforts to stay in power cared not whether the nation was left a prey to Communism or relegated to a minor colonial status, cannot but be regarded as treason toward those many patriotic Chinese who had risked their lives in order to erect a new China. It was in those circumstances that Japan, reluctant as she was to be involved in the tragedy of two great kindred nations fighting against each other, was compelled to take up arms against the Chiang Kai-shek régime.

Japan fervently desires the awakening of China. It is my hope that wise and foreseeing Chinese will be swift to assume leadership and to guide their nation back to the right path, and lead the rejuvenated state forward in the fulfilment of our common task in East Asia. Already in Peking and Nanking signs of rebirth have appeared. And in the wide plains to the north and west, a new Mongolia is springing to life. Let the Chinese people, who in the past 3,000 years of their history have illumined again and again the annals of civilization, prove once more their greatness by sharing in the stupendous task of creating a new Asia. Participation even by the Nationalist Government need not be rejected if, returning to the true spirit of China, it should repudiate its past policy, remould its personnel and offer to join in the work as a thoroughly regenerated régime.

The nations of the world must surely be able to comprehend these new developments in East Asia. It is undisputed history that China heretofore has been a victim of the rivalry between Powers whose imperialistic ambitions have constantly imperilled her tranquillity and independence. Japan realizes the need of fundamentally rectifying such a state of affairs and she is eager to see a new order established in East Asia—a new structure of peace based on true justice.

Japan is in no way opposed to collaboration with foreign Powers, nor does she desire to impair their legitimate rights and interests. If the Powers, understanding her true motives, will formulate poli-

cies adapted to the new conditions, Japan will be glad to cooperate with them. Japan's zeal for stamping out Communism is well known. The aim of the Comintern is to sovietize the Orient and to overturn the world. Japan is firmly determined to eradicate the communistic influence which is behind the so-called "long-term resistance" of the Chiang régime. Germany and Italy, our allies against Communism, have manifested their sympathies with Japan's aims in East Asia and we are profoundly grateful for the great encouragement that their moral support has given our nation during this crisis. In the present emergency, it is necessary for Japan not only to strengthen still further her ties with those countries but also to collaborate with them on the basis of a common world outlook in the reconstruction of world order.

What the world needs today is a lasting peace based upon a foundation of justice and fair dealing. It cannot be denied that the principles governing international relations in the recent past have in practice tended only to preserve and perpetuate with cast-iron rigidity an inequitable state of affairs. In this irrational arrangement lies the fundamental cause of the collapse of the Covenant of the League of Nations along with many other pacts and treaties. We should not allow international justice to remain merely a beautiful phrase, but we should strive to create a new framework of peace, in accordance with a comprehensive view of all human activities such as commerce, emigration, natural resources and culture; and in keeping with the actual conditions and the progress of events I firmly believe that this is the only way to overcome the universal crisis which confronts us today.

Placing absolute trust in the men at the front, the Japanese at home are silently engaged in speeding war-time production and in making preparation for protracted hostilities. Here we have a modern reproduction of the old Japanese spirit. History shows that our national fortunes waxed or waned in proportion to the degree in which the whole people were consciously aware of Japan's national polity. Knowing that a lasting peace in the Orient has always been the aim of our Sovereign, we cannot but be deeply conscious of our moral obligations as His subjects. It is high time that all of us should face squarely those responsibilities—namely, the mission to construct a new order on a moral basis—a free union of all the nations of East Asia, in mutual reliance but in independence.

What does this mean? What sacrifices does this call for? What preparations are required? These are matters of which we must obtain a clear understanding and concerning which we cannot afford to make any mistake. If there is anyone who believes that the fall

of Canton and Hankow marks a turning point and that an immediate return to normal conditions is soon to arrive, he simply has not grasped the significance of the present Affair. There could be nothing more dangerous than that. Japan's undertaking to erect a new East Asia implies that she has entered upon a long period of creative work in all the activities of her national life. \*In that sense the real war has just begun. If we are to make of ourselves a truly great nation, we must stand united as one man and pursue with firm conviction and adamant resolve the task of reconstruction and construction overseas as well as at home.

## THE SITUATION IN CHINA

### I

#### —ADVANCE OF THE IMPERIAL ARMY—

BUREAU OF INFORMATION, WAR DEPARTMENT

**T**HE Wuhan district comprising the three cities of Hankow, Hanyang and Wuchang fell on October 27, 1938.

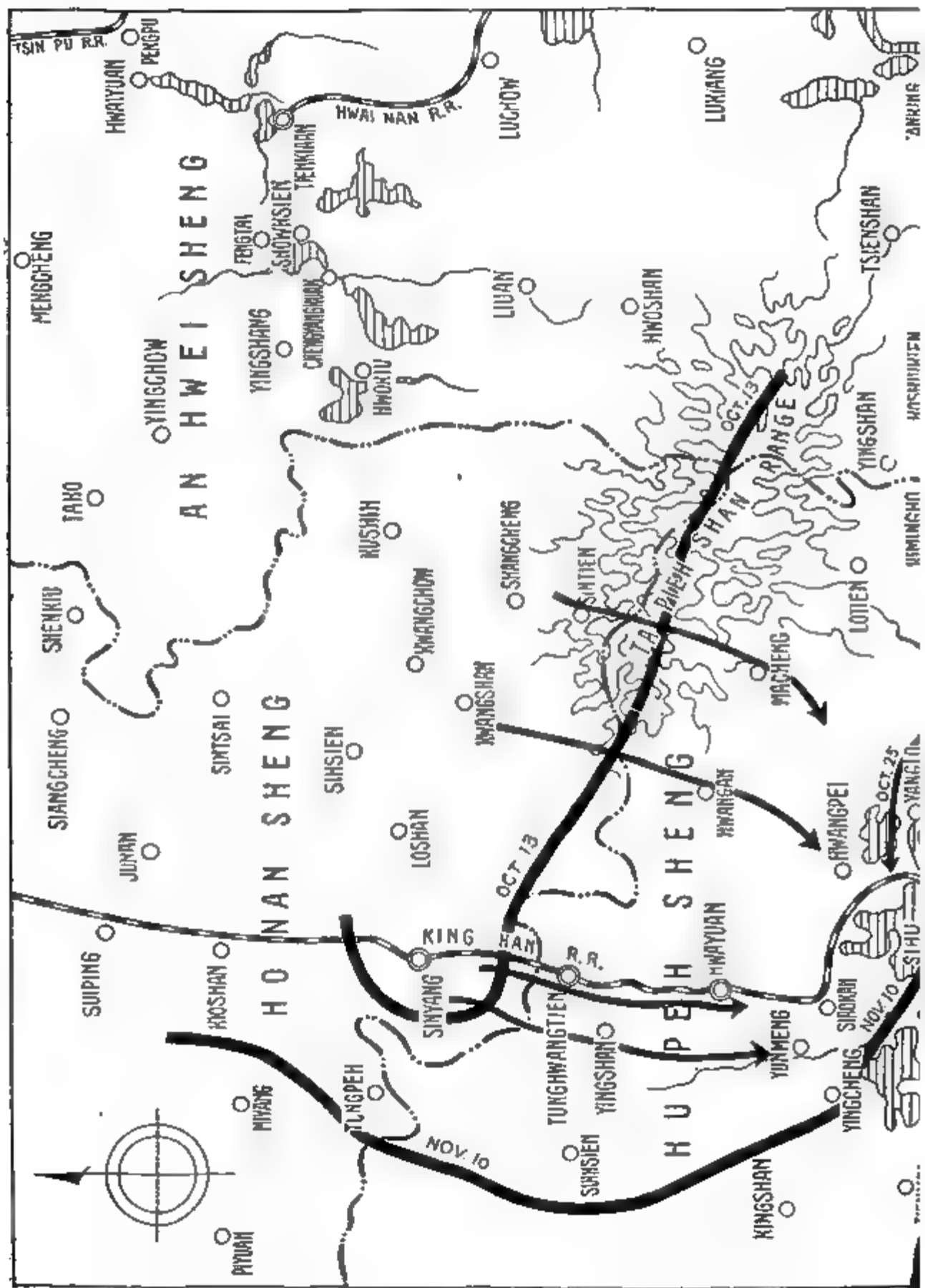
The battle for Hankow, which was fought by the Japanese forces in order to deal the Chiang Kai-shek régime a crushing blow, differed from the battle for Hsuechow or the Shanghai campaign in that it was marked with mountain warfare along the Yangtze River for a distance of about 1,000 kilometres. On more than one occasion, the Chinese command had declared that Hankow would be defended to the death.

The Japanese forces started operations late in July and established a base of operations at Kiukiang, preparatory to the westward drive along both the northern and southern banks of the Yangtze. Fierce engagements took place in the Lushan and Kwangtsi sectors. At the same time, Japanese troops, which were concentrated at Luchow (Hofei) in central Anhwei Province, pushed westward along the northern base of the Tapieh mountain range. After breaking through the enemy positions on the Shih River and Mount Fukinshan, they reached the Peking-Hankow Railway on October 12th, thus completing a pincer movement against Hankow.

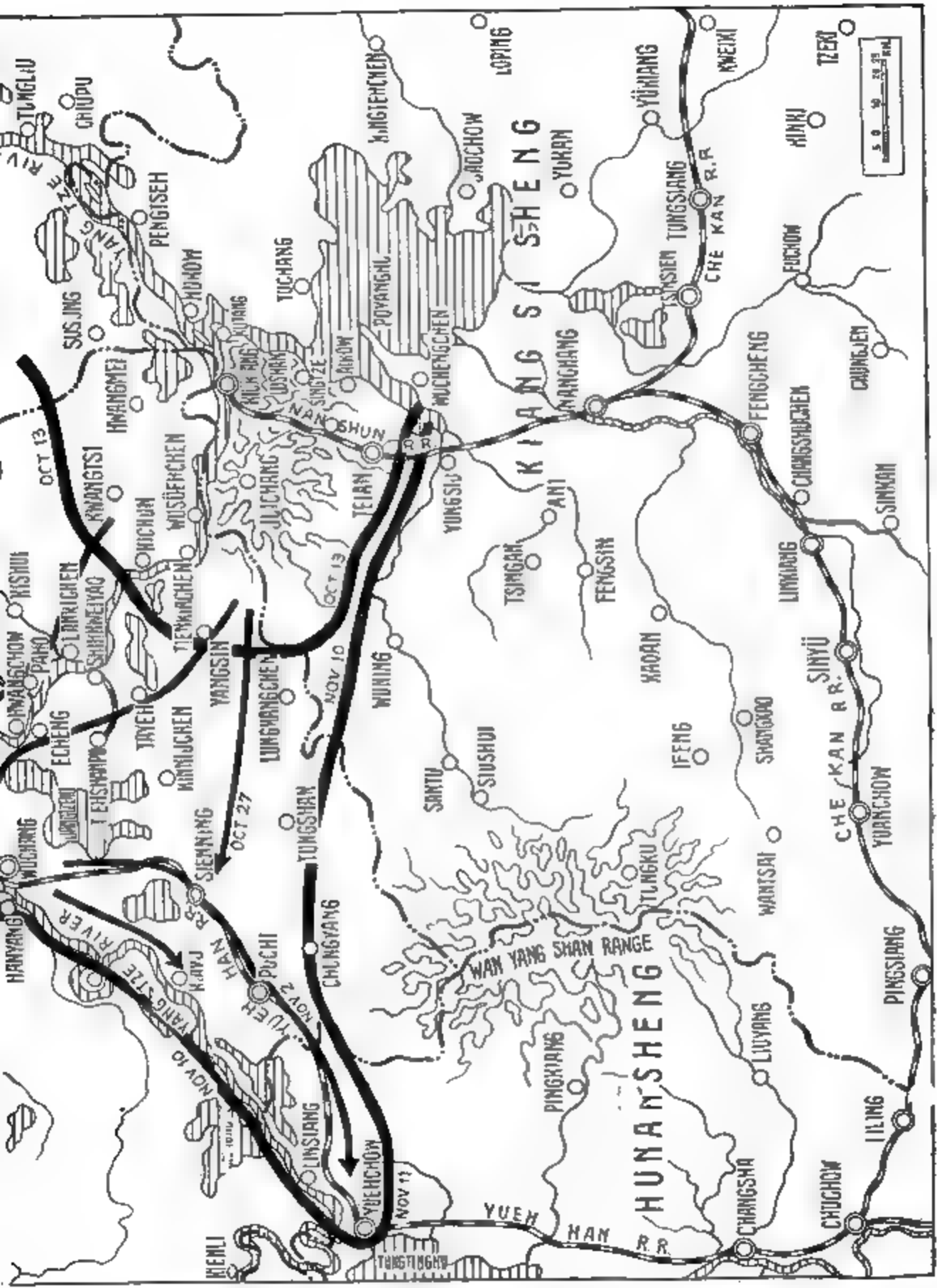
Meanwhile a fresh campaign, swiftly and successfully carried out in South China by the Japanese forces, served not only to confound the enemy command but to shake the Chinese troops within the Wuhan district so badly that all key points for the defence of Hankow fell before the Japanese onslaughts one after another. General Chiang Kai-shek who declared to share the fate of Hankow was compelled to flee from the city.

The fall of the Wuhan area served to enhance the prestige of the Imperial forces and to destroy the prestige and influence of the Chiang régime. Consequently, it has facilitated the building up of the new China.

It must be recognized, however, that the battle for Hankow was not terminated with the capture of the Wuhan district, because remnants of the Chinese troops are still attempting to check the







Map of Central China  
showing the movements of Japanese troops in the capture of Hankow and after

Japanese advance at various sectors. When those Chinese troops are driven away to remoter regions, then the battle for Hankow may be considered completed.

### THE CENTRAL CHINA FRONT

#### The Sinyang Sector

The Japanese forces which occupied Loshan on September 21st immediately started a converging movement on Sinyang, about 48 kilometres west of Loshan, by three routes. One Japanese force, which pushed west along the Loshan-Wulitien-Sinyang highway, dislodged the enemy from Lankanpu on October 3th and reached the area east of Chungshanpu on October 9th.

Another force started from a river on the southwestern side of Loshan and reached Chiangshantien on October 4th. This force, dashing through the enemy positions about 24 kilometres long on October 6th, succeeded in storming Lulin Station south of Sinyang and blowing up the Peking-Hankow Railway at that point. The third force, pursuing the retreating enemy, took Chutungtien on October 8th and then advanced to Tukiapan, where it swung north and crossed the Peking-Hankow Railway. On October 9th, it occupied Tungshwangho, south of Sinyang, Tashang, north of Sinyang, and Wangkiapan, west of Sinyang. After breaking down the stubborn resistance offered by the enemy, it turned northwest and took a hill, 721 metres high, south of Sinyang on October 12th. The following morning, the enemy attempted to recapture the hill, but was repulsed.

Led by tank units, the Japanese force, which drove west along the highway from Loshan, started a drive on Sinyang on October 11th, after dispersing the enemy near Chungshanpu. Part of this force pushed west of Chungshanpu and succeeded in cutting off the enemy's retreat, capturing two 12-centimetre guns and large quantities of other arms and ammunition. At noon, October 12th, Sinyang fell into Japanese hands.

The Japanese troops planning to reach the Peking-Hankow Railway from Loshan and also from the Hwai River north of Loshan succeeded in dislodging the enemy from its positions at Tilitien and Hsuetien on the northern bank of the Hwai River on October 3th and advanced on Towkang. Some Japanese units reached Lowan and Kaotien on October 6th. Early in the morning of October 11th, they reached the Peking-Hankow Railway near

Chitun, 15 kilometres north of Sinyang, and cut off the railway. Chitun Station was occupied the same day.

The Japanese forces that reduced Sinyang turned their attention to the Chinese 46th, 106th, 125th and 127th divisions, which had set up positions in the mountainous region west of the Peking-Hankow Railway. After routing them, these Japanese forces swung south. Some of them, after breaking through the enemy positions at Muchuho on the right bank of the Hwai River, 24 kilometres north-west of Sinyang, reached the Yu River on October 13th.

The Japanese military air force was remarkably active on October 13th despite foul weather conditions and bombed and machine-gunned a large force of Chinese troops retreating east of Tungpo three times in the afternoon, dealing heavy damage.

One Japanese detachment which was eliminating remnants of Chinese troops along the Peking-Hankow Railway north of Sinyang encountered some 2,000 Chinese soldiers, moving southward on October 14th and inflicted heavy losses on them. This detachment occupied Changtai on October 15th.

Those Japanese troops which drove south along the Peking-Hankow Railway reached the line extending east and west from Kiangkiawan, 4 kilometres south of Lulin, on October 16th and attacked the Chinese 13th, 20th, 30th and 36th divisions.

Another Japanese force which pushed south along the area west of the Peking-Hankow Railway broke through the enemy positions near Tankaho on the left bank of the Sze River on October 18th and reached the line extending east and west from Hukachai on October 20th.

Part of the Japanese force which dislodged the enemy from Tatishih drove southward and occupied Hsintien. Another detachment took Yingshan on October 24th and inflicted heavy damage on a large force of Chinese troops near Tungsintien east of Anlu (Teau) on October 27th, when it captured 3 heavy guns, 1 field gun and large quantities of other arms. The same night, this detachment successfully stormed Anlu. On October 28th, it started a southern drive on Yingcheng.

The Mori detachment, which was furiously attacking the enemy at Pingtsingkwan, 20 kilometres northeast of Wusheng Pass which forms the border between Honan and Hupeh Provinces, succeeded in reducing Pingtsingkwan on the morning of October 28th.

The Japanese booty near Hwayuan (40 kilometres north of Siaokan), as ascertained up to November 1st consisted of 38 15-centimetre guns, 40 field-guns, 2 mountain-guns, 7 infantry-guns, 10 rapid-firers and 10 trench-mortars. The booty at Yingcheng includ-

ed 52 motor-lorries, 7 field-guns, 1 mountain-gun and 5 caissons in addition to enormous quantities of ammunition.

The Japanese forces which were following the retreating enemy in the area east of the Peking-Hankow Railway had reached Hwang-an and Sungfow when Hankow fell.

### The Shawo Sector

A general attack was launched on the Chinese positions on Mount Si (West Mountain) and other mountains in the Tapih range which forms the border between Honan and Hupeh Province on October 17th, a Japanese national holiday. The weather had cleared up for the first time in twenty days. Japanese soldiers sprang from their dugouts and made bayonet charges at the enemy positions on top of the mountain, surrounded with barbed wire entanglements. The enemy which had been offering stubborn resistance since October 6th was apparently exhausted. Chinese positions fell before the Japanese charges one after another. By 10 o'clock that morning, the sun-flags were flown from all parts of Mount Si. The Chinese on the heights near Sztzekow also abandoned their positions with the result that the situation in the Shawo sector developed spectacularly in favour of the Japanese. On the evening of October 21st, the Japanese right wing succeeded in occupying the highest peak in the Payunshan (White Cloud mountain) range.

The military air force attacked the enemy positions daily in concert with the ground forces. On October 16th, Japanese air units attacked Futienho, 30 kilometres south of Shawo, at the southern base of the Tapih range and dealt the enemy heavy damage.

Mount Si with Mount Tayuan, which the Japanese took on October 15th, formed the two important outposts for the defence of Macheng at the southern base of the Tapih range, falling back on which the Chinese troops under General Sun Lien-chang had successfully checked the Japanese southern drive across the mountain range for more than three weeks. The Chinese forces in this sector included the 30th, 31st, 87th and 88th divisions of Central troops armed with heavy artillery pieces and trench-mortars.

In addition, there were six more divisions of Chinese provincial troops in this sector. The Chinese troops, about 10 divisions strong, however, met disaster on October 23rd when the Japanese forces succeeded in capturing Mount Payun (White Cloud Mountain). The Chinese started a retreat in confusion toward the southwest.

Giving the Chinese troops a fierce running fight, the Japanese forces passed Futienho on October 24th and occupied Wukiaho south of Futienho at 2 p.m. Early in the next morning, the Japanese took Macheng at the southern base of the Tapih range and kept up their pursuit of the retreating Chinese troops.

### **The Hsintien Sector**

The situation in the Hsintien sector developed smoothly. At 6 p.m., October 8th, the Japanese forces took Hsintien and reached the line between the base of the height southeast of Hsintien and a height east of Changfutien, the same evening. The enemy was pressed back southward toward Lianghokow and Wulitien.

The enemy, reinforced, attempted to offer stiff resistance at the heights of Chiaochienshan and Chiangchunchai on the western bank of the Ku River. The right wing of the Japanese forces lost no time in attacking the fresh enemy positions and took Chiaochienshan on October 11th. After capturing a height south of Changfutien on October 14th, the Japanese troops drove southeast and on October 18th launched a general attack on Changchuyuan. The enemy first defence line was broken the same evening, while the Japanese air force cooperated with the ground forces and made sustained attacks on Changchuyuan and Chiangchunchai.

Chiangchunchai, a height on the western side of Changfutien, was attacked on the evening of October 12th by the Japanese first line in a drizzling rain. It was defended by a large Chinese force which was steadily reinforced in order to safeguard an important point on the highway from Shangcheng to Macheng. The Japanese, however, succeeded in reaching the slope of the hill on October 13th and occupied the hill the same evening. On October 23rd, the Japanese forces gave chase to the retreating Chinese troops and reached Yenkuaho after taking Shihmenpau and Sanhokow. They reached Sungfow on October 26th and Hwangan on October 27th.

### **From Tienkiachen to Wuchang**

On October 8th, a Japanese force in cooperation with the navy occupied Kichun on the Yangtze River, about 20 kilometres above Tienkiachen. Another Japanese military force in cooperation with the navy landed near Weiyuankow on October 12th and captured Shangweishan south of Weiyuankow.

The Japanese force which drove west along the northern bank of the Yangtze River and occupied Kichun on October 8th made a

swift push westward and took Lantaochi on October 10th, Hsiao-lan-tan on October 12th, Maopu on October 13th and Makialung on October 20th. This force reached Tungyomiao on October 24th, by going up the Yangtze 60 kilometres from Lanchihsiachueh.

At dawn, October 14th, the Takashima detachment in concert with a naval landing party effected a forced landing in face of the enemy near Tzusiao and Kuchungchow and occupied Tawangshan and Hsiaowangshan, thus menacing the rear of Tayeh.

On October 16th, a Japanese military force operating on the southern bank of the Yangtze occupied Shihhweiyao. Hwangshih-kang, above Shihhweiyao, was taken on October 20th by this force, which further drove west and occupied Chuolinchu on October 23rd.

Another Japanese force which pushed north from Tayeh occupied the Tayeh iron mines on October 20th. Keeping up its western drive along the southern bank of the Yangtze River, this force reduced Ocheng a few days later. It occupied Hwayungchen on October 24th, Kouen on October 25th and entered Wuchang at 8:20 a.m., October 26th. Hanyang at the junction of the Han and Yangtze Rivers opposite Wuchang was occupied the following day.

### From Kwangtai to Hankow

The Japanese forces, which had been standing by at Kwangtsi on the northern bank of the Yangtze River for some time, started a western drive toward Hankow on October 17th. At noon, the following day, they occupied Siho and, pursuing the retreating Chinese troops, reached Chiehling (30 kilometres northwest of Kwangtsi) the same evening. On October 20th, they reached the Kishui River which they crossed and at 10:40 a.m., the following day occupied Kishui, one of the most important towns on the northern bank of the Yangtze.

With the fall of Kishui, the situation along the northern bank made rapid development with the result that the Japanese force operating in this sector was the first to enter Hankow.

The Japanese force which took Kishui on October 21st kept up its western push and reached Shangpahoshih on October 22nd, Hsunchow on October 23rd, Hwangpo on October 24th and Hengtien on the Peking-Hankow Railway, 24 kilometres north of Hankow, at 9 15 a.m., October 25th. Part of this force drove south along the Peking-Hankow Railway and advanced to Santzokiao, 4 kilometres north of Hankow at 10 o'clock the same morning. At 4:30 p.m., it entered the northeastern part of Hankow. Thus the

Japanese force entered Hankow within four days after leaving Kishui, by covering a distance of 120 kilometres through a mountainous region.

#### THE FRONT SOUTH OF THE YANGTZE

##### From Yanghsin to the Canton-Hankow Railway

The Japanese forces which had been standing by on the right bank of the Fu River began operations for crossing the river on October 8th and at 10 o'clock the following morning succeeded in dislodging the enemy from the left bank, reaching the line between Chungli, Changtushan and Tungtzenao, 3 kilometres west of the left bank of the river. The right wing of the Japanese forces crossed the river near Shangkiang and on the evening of October 10th advanced to Shanghomutu, 13 kilometres west of Yanghsin. This wing captured Wangmaechuen Hill southwest of Shanghomutu on October 11th. The Japanese left wing, on the evening of October 10th, reached the line connecting the 1,002-metre mountain at Shuhweiyao on the northern bank of the Fu River and the mountain southwest of Talao.

On October 12th, the Japanese forces advanced further and threatened to dominate the highway between Yanghsin and Tungshan, after breaking through the enemy line between Lungkiang and Yangkiang.

Another Japanese force which started from Joki on October 7th drove on Hsintanpu. By defeating the enemy on the way, this force reached a point some 4 kilometres south of Hsintanpu on October 12th. At noon, the same day, it started a furious attack on Hsintanpu, which it reduced the following morning.

The Japanese operations west of Yanghsin and along the southern bank of the Yangtze River developed so as to isolate Yanghsin. Consequently the enemy at Yanghsin was compelled to start a general retreat and the walled town fell into Japanese hands at noon, October 18th.

Yanghsin, which stands about 120 kilometres southeast of Hankow, formed a key point in the second defence line for Hankow, with General Chen Cheng, commander-in-chief of the 9th war zone for the defence of Hankow, establishing his headquarters there.

Two Japanese detachments, the Hirata and Ishimoto, which swung north from Yanghsin to make a drive on Tayeh, attacked the enemy positions near Mount Tachi, south of Tayeh on the night of October 18th and succeeded in capturing the mountain the

following day, thus dominating Tayeh, which fell into Japanese hands on the evening of October 20th.

Those Japanese forces, which crossed the upper reaches of the Fu River, succeeded in controlling Yanghsinchen at dawn, October 19th. The enemy in this sector retreated westward toward Tungshan.

Those Japanese detachments which pushed northwest after dislodging the enemy from Paishih reached the line extending north and south from Panhsiapu on October 20th. Keeping up their drive, these units advanced to Yangshu, southeast of Lake Liangtze, on October 23rd. After breaking through the enemy positions in front of Yangshu, they attacked Kinniu on October 26th and succeeded in taking it the following day. Part of the Japanese detachments kept up the western drive and reached Hengkangkiao on the Canton-Hankow Railway, 72 kilometres south of Wuchang, at 4:30 p.m., October 27th. Thus the Canton-Hankow Railway was cut off. Large forces of Chinese troops had been retreating southward in confusion along the Canton-Hankow Railway and also along the highway between Wuchang and Sienning. The Japanese forces have since been chasing the enemy southward, mainly along the railway. On November 2nd, Puchu on the Canton-Hankow Railway halfway between Wuchang and Yochow was occupied by the Japanese forces.

### From Aikowchieh to Teian

Japanese forces reduced Aikowchieh, which stands at the entrance of a defile leading to Teian, at 8 20 a.m., October 9th. The following day, two heights, Wushuhling west of Aikowchieh and Pingshannao to the south were taken. On October 11th, the Chinese positions at Shwangfengnao, Hsukialing and Wangling, 5 kilometres west of Aikowchieh, were attacked. The following dawn, the Japanese reached the line connecting Shwangfengnao, Lungnanshan (6 kilometres west of Aikowchieh), Wenkialing and Wangling.

Early in the morning of October 13th, an attack was launched on the enemy positions at Toling Hill, on which combined attacks were also made by the Japanese air and artillery forces. At 10 a.m., October 15th, the Imperial forces occupied the hill. At midnight, October 17th, the strategic points south of Chungshuhkiao, including Paishihchuen and Hsienkuling were taken one after another, so that on the morning of October 18th, the first line of the Japanese forces was within 4 kilometres of Teian.

Stubborn resistance was offered by the Chinese troops at Teian,



taking advantage of its steep topography, but the Japanese forces succeeded in reducing the city with sustained onslaughts on October 27th.

Meanwhile, another Japanese force which pushed eastward from Joki broke through the enemy positions near Kanmu'wan on October 12th and advanced to the line extending north and south from Jokong on October 20th, menacing the enemy positions southwest of Teian. The Japanese forces, which occupied Teian on October 27th, have since been keeping up their southern push. On October 31st, they started a drive on Siushui, where the enemy had been wavering before the Japanese attack.

### THE SOUTH CHINA FRONT

When the battle for Hankow was in full swing, a campaign no less spectacular was started in South China by the Japanese Army in cooperation with the Navy in an effort to intercept the major route of munitions supply for the Chinese forces, to destroy the important bases of Chinese operations and machinations against Japan, and thereby to deal the Chiang Kai-shek régime a crushing blow.

The Chinese side has hitherto represented Japan as incapable of expanding its military operations beyond the present stage and financially on the verge of collapse. Such misrepresentation or miscalculation on the part of the Chiang administration has been completely exploded by the fresh campaign now going on in South China.

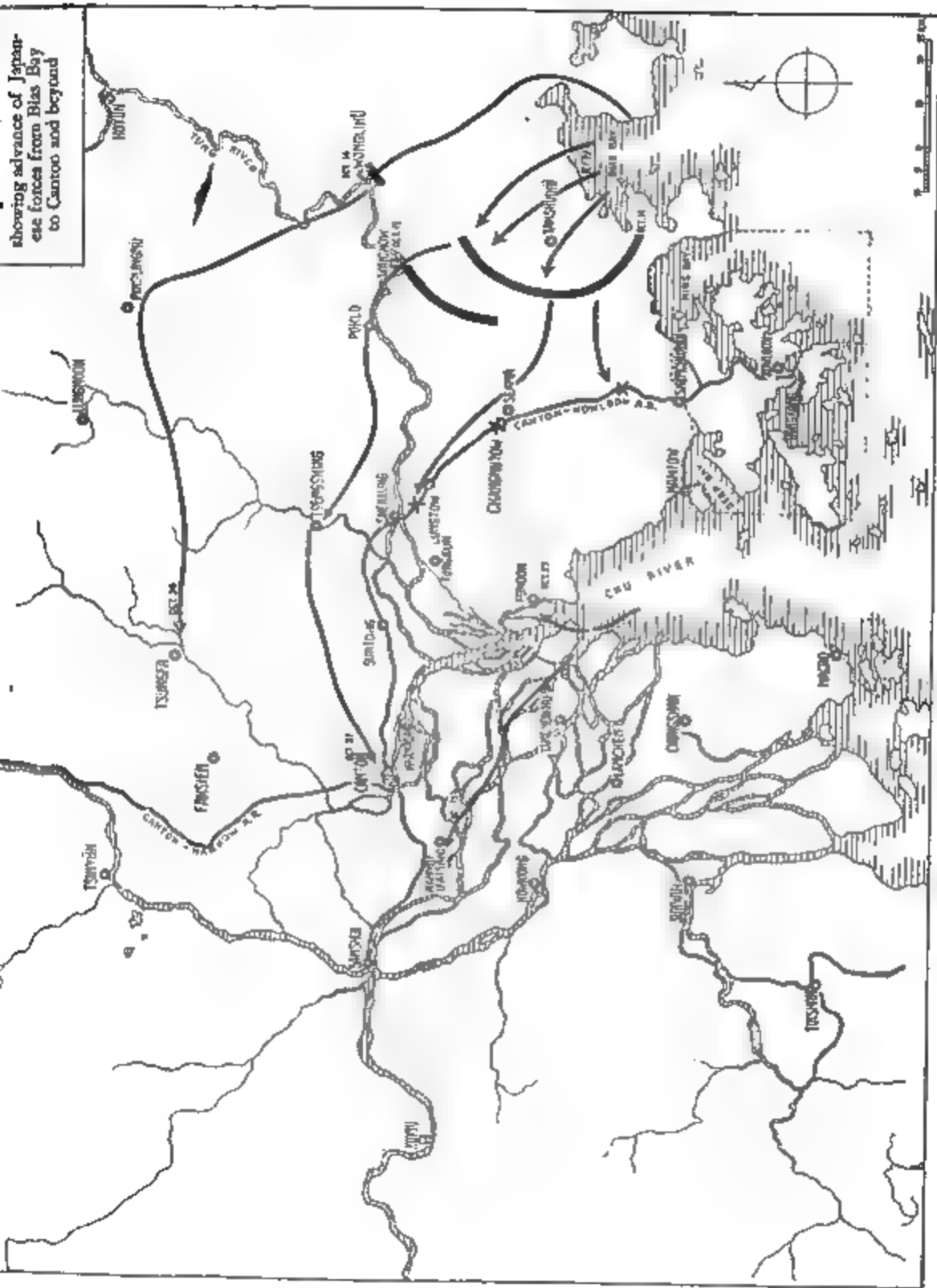
The signal success which crowned Japan's efforts to make a forced landing of a large force of troops in South China, a strategically difficult operation, must be primarily attributed to the Imperial virtue and influence, but it is also due to the close cooperation and coordination between the Army and Navy, carefully laid plans of operations, bravery of the officers and men and enthusiastic support extended by the nation behind-the-guns.

A communique issued by the Army and Navy sections of the Imperial Headquarters at 9:30 a.m., October 12th stated:

"Crack units of the Japanese Army and Navy at dawn, October 12th succeeded in making a surprise landing in a certain area of South China and are now steadily advancing inland. The heat is severe there, but the weather is fine. The sea is calm. The Japanese morale is high."

Subsequent communiqués have all shown that the fresh campaign in South China was successful. The communique issued by the Army section at 10 a.m., October 13th reads:

showing advance of Japanese forces from Bias Bay to Canton and beyond



"The Japanese forces, which at dawn, October 12th landed on the shore of Bias Bay in South China, advanced several kilometres inland by noon of that same day. The enemy was entirely taken aback, so that there was not a single casualty among the Japanese forces until noon. The weather has continued fine. Landing of more troops has been carried on smoothly.

"The Wuhan district has been shaken by the surprise landing in South China. General Chiang Kai-shek is now concentrating over a dozen divisions of Central troops under his direct control at Yochow and Changsha in Hunan Province. Indications show that his boastful determination to defend the Wuhan area to the death is shaken."

Another communique issued by the Army section of the Imperial Headquarters at 5 p.m., October 13th reads:

"The situation in South China is developing favourable for the Japanese forces, so that they are carrying everything before them. On the evening of the first day of their landing, Japanese forces advanced 20 kilometres inland. They are keeping up their drive.

"The weather has continued fine, so that landing of more troops is being carried on very smoothly. The officers and men are in high spirits. Not a single enemy plane has appeared over the new front."

The communique issued by the Army section of the Imperial Headquarters at 10 a.m., October 14th reads:

"The Japanese forces made a swift advance and reached the line extending north and south from Tamshui at noon, October 13th. They are keeping up their western drive. The landing was effected so unexpectedly and swiftly that the Japanese forces are now sweeping everything before them."

On the evening of October 13th, the Japanese forces reached the southern bank of the East River and started an attack on Waichow, which was completely occupied on the morning of October 13th. This swift advance was entirely due to the strenuous efforts put forth by the Japanese forces, which resolutely stood all sorts of privations, marching along roads that were veritable quagmires.

Following the occupation of Waichow, the Japanese forces immediately started preparations for crossing the East River and about noon, October 15th reached its northern bank. The easy crossing of the river was the result of the swift Japanese advance, which deprived the enemy of any chance for rallying.

The Japanese detachment operating in the Tamshui sector reached Suntong on the evening of October 14th and advanced on Sheklung on the afternoon of October 16th, when the

Canton-Kowloon Railway was cut off. Another Japanese detachment pushing north in the eastern area also reached the East River on the evening of October 14th and occupied Wanglihu.

Further advances were made by the Japanese forces in all sectors. On October 19th, the Japanese troops in cooperation with the naval air force occupied Tsengshing. Breaking through the enemy positions west of Tsengshing on October 20th, they kept up their western drive. At 3:30, October 21st, Japanese tank units entered Canton. General Yu Han-mou, General Wu Tieh-cheng and other leaders of the Canton armies had fled from Canton before the Japanese entry. The right wing of the Japanese forces started operations to cut off the retreat of the enemy.

The remnants of Chinese troops in Canton were routed by the Japanese forces on October 21st.

Part of the Japanese forces in cooperation with the navy landed at the delta at the mouth of the Pearl River on October 23rd. In the evening, the Japanese forces captured Bocca Tigris Fort, while a Japanese detachment pushed up the Pearl River and approached Fatshan.

Those Japanese troops which drove along the highway from Wanglihu to Tsungfa via Pinglinghu and Yunghan occupied Tsungfa on October 24th. The Chinese troops which withdrew from Tsungfa apparently are roaming the area west of Tsungfa and north of Canton.

The Japanese booty, as the result of engagements near Canton included three 12.5-centimetre trench-mortars, 10 field-guns, 41 rapid-firers, 4 infantry-guns and trench-mortars, 8 anti-aircraft guns, 35 machine-guns, 6 tanks including 3 amphibians of Vickers manufacture, over 1,000 shells, 36,000 rounds of rifle and machine-gun ammunition, 2,500 hand-grenades and large quantities of other arms and ammunition.

Changchow Fort, about 16 kilometres southeast of Canton, was taken soon after the occupation of Canton by routing some 300 Chinese soldiers. Three 24-centimetre Canet guns, one 20-centimetre Canet gun and a large quantity of other arms and ammunition were captured.

#### THE NORTH CHINA FRONT

Peace and order is gradually returning to North China. Parallel with the battle for Hankow, clean-up campaigns against the Chinese bandits and remnants of Chinese troops were conducted in various parts of North China. Chinese soldiers are surrendering to the Japanese forces daily.

### The Shansi Sector

A punitive expedition started against the Chinese Communist troops in northern Shansi Province late in September was successfully concluded by the middle of October, by capturing Mount Wutaishan, one of the four holy Buddhist mountains in China, where the Chinese Communist troops had set up their base of operations.

A clean-up campaign against the remnants of Chinese troops near Yuanku in southern Shansi Province on the northern bank of the Yellow River was also successfully concluded early in October. All the Japanese units which participated in the campaign returned to their respective garrison headquarters on October 7th.

About 900 soldiers of the Chinese 198th Division, who surrendered to the Japanese Army at Lingshui on the Tatung-Puchow Railway, some 120 kilometres south of Taiyuan, moved south to participate in the punitive expedition near Yuanku on the Japanese side and fought against a detachment of the Chinese 8th Route Army. After defeating it, those Chinese soldiers reached Linfen on October 9th.

Tsai Siu-tao, leader of the "Anti-Japanese Death Band," which was infesting Chaocheng, south of Lingshui, surrendered to the Japanese early in October with his 4,000 men.

Those Chinese guerillas who fled into the Chungchiao mountain range at the southern extremity of Shansi Province are stubbornly resorting to guerilla warfare at Yuncheng, Puchow and the districts to the east. Otherwise, peace and order are gradually returning in Shansi Province. Chinese soldiers who had surrendered to the Japanese forces up to October 31st totalled 4,200 in number.

### The Peking-Hankow Railway Sector

On October 7th, the Japanese force made a surprise attack on about 1,500 Chinese guerillas near Wuku east of Chengtung on the Peking-Hankow Railway and wiped them out. Another group of 400 bandits was routed near Pehwangli east of Yuantze (south of Chengtung). Bandits are still active near Changte, while Chinese troops under General Sun Tien-ying are operating near Wuan.

The Chinese troops under General Chu Hwai-yung are taking part in guerilla warfare west and south of Hsinsiang, cleverly dodging Japanese attacks. On October 31st, a Japanese baggage corps after leaving Tsiyuan encountered about 600 Chinese soldiers near Wangwochen and repulsed them.

**The Inner Mongolian Sector**

About 2,000 soldiers of the Chinese Communist 6th Division, who were driven away from eastern Hopeh Province and again repulsed by the Kwantung Army when they entered Jehol Province in Manchoukuo, made their appearance at Chihcheng and Lungkwan, 80 kilometres east of Kalgan, but were routed by Japanese forces on October 5th. The bulk of them apparently fled southeastward.

On October 9th, a Japanese force surrounded and wiped out Chinese Communist troops which invaded Taha

## THE SITUATION IN CHINA



### —FORCES OF THE IMPERIAL NAVY IN ACTION—

PUBLICITY BUREAU, NAVY DEPARTMENT

**J**APANESE naval operations in the battle for Hankow were largely devoted to close cooperation with the military forces. Actually, the harmonious coordination between the three arms of the Japanese forces, land, sea and air made possible the final capture.

The naval forces opened the Yangtze River to the Japanese advance by incessantly engaging enemy positions on either bank of the river, removing booms and sweeping mines. Through the waterway thus opened, Japanese landing parties landed in face of the enemy and occupied one fort after another along the river, while military units vied with these parties in capturing important points on both banks of the Yangtze. Indeed, the advance was in the nature of a race between the Japanese naval and military forces.

And while all eyes were turned toward the battle for Hankow, a daring attack was launched in South China.

A Japanese naval force, escorting a large number of transports over a calm sea, landed crack military units on the shore of Bias Bay at dawn on October 12th, taking the enemy completely by surprise. The campaign in South China developed smoothly, as Japanese warships and naval air units cooperated with the military forces. Japanese landing parties also landed on islands near the point where the military forces disembarked, for patrol purposes.

Then, as the military units swiftly marched on Canton, the Japanese Navy proceeded up the Yangtze and entered Hankow at 5 p.m., October 26th. The Japanese forces completely occupied the three sister cities of Hankow, Wuchang and Hanyang on October 27th, within ten months after the capture of Nanking.

The Yangtze River, with mines swept and Chinese positions along its banks silenced, has become an important line of communication for the Japanese forces operating far inland. But for the existence of this 3,000-mile waterway, it might have been impossible for the Japanese forces to conduct such large-scale military operations in the interior of China.

### The Naval Force on the Yangtze

The following is a chronological account of the rôle of the Japanese Navy and its landing parties in the battle for Hankow

*October 5th* Japanese mine-sweeping operations made further progress in the face of heavy enemy fire. The naval landing party resumed its western drive following the occupation of Panpishan and took Maanshan. By evening, it had reached the line between Hsukiawan and Makiawan. It was protected in its advance by the fleet and the naval air force.

*October 6th* The landing party occupied a hilly area at Maochulin, about 8 kilometres above Panpishan. Japanese mine-sweepers made further progress, keeping pace with this landing party.

*October 8th* Naval forces occupied Kichun at 10 a.m., where the landing party was subsequently engaged in cleaning out remnants of Chinese troops. The naval force kept up its drive and succeeded in opening the waterway above Kichun, making a total advance of 15 miles during the day.

*October 10th* As the naval force removed booms and swept mines from the river several miles above Kichun, the Japanese landing party occupied Hwoshan, a strategically important point on the southern bank.

*October 12th* A Japanese landing party, in concert with the military and naval forces, landed at a point opposite Kichun at dawn and started a drive on Sichaishan.

*October 15th* Sichaishan, an important outpost of Shihhweiyao, was occupied by the landing party at 8 30 a.m. The Japanese units followed up their victory by taking Shanmaochung, southwest of Sichaishan, thus getting within striking distance of Shihhweiyao. The Chinese left about 50 dead in the day's engagements; Japanese casualties were negligible. The naval force continued its mine-sweeping operations.

*October 16th* Shihhweiyao was reduced by the Japanese landing party in cooperation with military units at 3:30 p.m.

*October 17th* The landing party engaged in cleaning-up operations. The Japanese booty at Shihhweiyao included some 500,000 tons of iron ore, 5,000 bales of wheat flour, 9,000 tons of briquettes, 10,000 lead bars, 2 locomotives, 500 bales of soya beans, 35 goods waggons, 4 heavy guns, and one 20-millimetre machine gun. By this date, the vanguard of the naval force had approached Shihhweiyao, after silencing heavy enemy fire from both sides of the river.

*October 19th* Keeping up its mine-sweeping, the vanguard of the naval force on the Yangtze approached Echeng, a key point in the



Chinese defence of Hankow. Meanwhile, the landing party captured Hwangshihkang in cooperation with military units at 4:10 p.m. The enemy was offering stubborn resistance.

*October 21st* At 4.30 p.m., the naval force passed Hwangchow and by night-fall reached a point a few miles above Hwangchow. The distance covered during the day was 10 miles.

*October 22nd* In concert with military units, the Japanese landing party landed at a point just below Echeng at dawn. By noon, the vanguard of the party had entered Echeng which was completely occupied within short order. The vanguard of the naval force passed through the Twanfeng channel and established a position menacing Hankow.

*October 23rd* The naval force overcame the enemy fire from both banks of the Yangtze and reached a point 44 kilometres east of Hankow.

*October 24th* Defying a cross fire from Chinese forts at Pailushan and Chingshan and from Chinese artillery positions on both banks of the river, the naval force succeeded in removing the last boom near Kotienchen.

*October 26th* The Japanese fleet entered Hankow at 5 p.m. All the officers and men of the fleet faced the east and paid homage to the Imperial Palace in Tokyo. The Japanese landing party landed at Hankow and took up positions assigned to it.

*October 27th* The Commander-in-Chief of the Japanese fleet which entered Hankow was officially announced to be Rear-Admiral Eiuro Kondo. The Japanese military and naval forces completely occupied the three sister cities of Hankow, Wuchang and Hanyang at 5:30 p.m., after cleaning up the remnants of Chinese troops remaining there.

### **The Naval Air Force in China**

The following is a chronological account of the activities of the Japanese Naval Air Force, from October 4th to October 31st.

The naval air force had been making daily attacks on Chinese military establishments and troop concentrations, cooperating not only with the naval force and landing parties which were pushing up the Yangtze River, but also with the military forces in their converging movement against Hankow.

In September, the bombs dropped by the naval air force often exceeded 700 in number in a single day, while the total weight of bombs dropped in a single day was from 100 to 170 tons.

*October 4th* Naval air units were active in Central and South China. While reconnoitring the enemy positions along the Peking-Hankow and

Canton-Hankow Railways, they attacked the enemy military works and troop concentrations. Some squadrons visited Szechuan and Hupeh Provinces and bombed the airfields there. Liangshan, an important town between Hankow and Chengtu in Szechuan Province, was raided and 6 large-sized aeroplanes and 3 fighting-planes in the airfield were bombed and destroyed. In the ensuing air combat, 7 out of over 20 Chinese planes were shot down by the Japanese raiders. Chungking in Szechuan Province was visited and the airfield there attacked. Three planes on the ground were bombed and destroyed, together with six buildings in the airfield.

Siaokan north of Hankow was also subjected to an air attack. Other naval air units visited Siangyang and Laohokow in northern Hopeh Province and attacked the airfields there. All the Japanese planes returned to their base safely, although some of them were hit by enemy bullets.

*October 5th* While cooperating with the ground forces, the naval air force was active in Central China.

A naval air squadron on the way to Hankow sighted 6 Chinese planes of the I 16 type and attacked them, of which one fled, leaving a trail of black smoke, while another was shot down. Tungshan in Hupeh Province was raided and the Chinese military positions near the town were attacked.

A naval air squadron which raided the Peking-Hankow railway effectively bombed several goods trains between Yencheng (60 miles northwest of Choukiakow) and Sinyang and also near Hwauan. A goods train bombed south of Kioshan which apparently contained ammunition and explosives had one explosion after another for fully an hour.

*October 6th* Heavy clouds hung over South China all day, hampering the activity of the Japanese Naval Air Force, but certain units bombed the barracks of the Chinese 4th Route Army in the suburbs of Canton, Bocca Tigris Fort and seven other military works. Other naval air units raided the Canton-Kowloon Railway and effectively bombed the railway track at several points.

*October 8th* A large number of naval aeroplanes, taking advantage of the moonlit night, visited Hengyang in Hunan Province and attacked the airfield. Hangars and planes on the ground were bombed and damaged. All the Japanese planes returned to their base safely.

In Central China, the Chinese military positions and troop concentrations along both banks of the Yangtze River were attacked repeatedly by several naval air units in cooperation with the ground forces.

In South China, Pinglo and Kweilin were visited and the military works there, including seventeen military barracks at Kweilin, were bombed and destroyed. The Canton-Hankow Railway was attacked three times and the steel bridges at Yinchanyao and Sunkai were bombed.

*October 9th* Naval air units cooperated with the ground forces in Central China, while in South China, naval air-squadrons attacked Yahungkiao, Pitsun, Hwangshan, Saitsun, Kowtang and other places. Tienho near Canton was raided and the airfield and military barracks near there were bombed. Japanese planes raided Kongtsun and destroyed the steel bridge there.

*October 10th* Hengyang in Hunan Province was again visited by naval air units, which attacked the airfields there despite heavy enemy fire. In the

ensuing air combat, two Japanese planes were lost. Those naval air units which cooperated with the ground forces along the Yangtze River attacked Changhu south of the river, Siaweshan north of the river and other important points.

In South China, the Canton-Kowloon Railway was attacked and the Chinese military works at Satsun, Tangtow and other points were effectively bombed, while the Canton-Hankow Railway was visited and the steel bridges between Yingtak and Yuntan and also at Yinchanyao were bombed.

*October 11th* In Central China, naval air squadrons were active in attacking the Chinese military positions and troop concentrations along the Yangtze River in cooperation with the ground forces.

In South China, sustained attacks were made on the Chinese military works and lines of communication, including the steel bridge at Yingtak.

*October 13th* While attacking the Canton-Hankow Railway south of Yingtak, the naval air force heavily bombed and machine-gunned the Chinese military positions and troop concentrations in front of the Japanese expeditionary forces in South China. The Canton-Kowloon Railway was bombed and interrupted at Sheklung, Shekma and Hiokungling. One naval plane was lost during the engagements.

At 1:30 p.m., a naval air unit bombed and destroyed 37 Chinese tanks at Waichow. Over 50 Chinese motor lorries with 300 soldiers were bombed and destroyed at Waichow and several other places, while two Chinese military launches of about 50 tons were bombed and sunk on the East River. Steel bridges at Pakshek, Sheklung, Tsengshung and Hoifung were bombed and destroyed. The train service on the Canton-Kowloon Railway apparently was suspended, as over a dozen trains were observed to be stranded here and there. The steel bridges at Changping and Tungkun which were destroyed by Japanese air raids a few days previously were observed to be left unrepared.

*October 14th* While covering the advance of the Japanese expeditionary forces in South China, the naval air force attacked the Chinese military positions and troop concentrations at and near Waichow, together with a group of motor-lorries.

The Chinese military positions and troop concentrations at Poklo were bombed, while two steam-launches engaged in transporting troops and a large number of junks were also bombed near Poklo. Chinese troops about two companies strong on both banks of the East River were attacked and wiped out. Chinese forts and military positions at and near Tsengshung and Hwangkutow were attacked and about 300 Chinese soldiers were routed.

Five goods trains at Sheklung, Shekma and Wangli on the Canton Kowloon Railway were attacked and 80 goods waggons were bombed and burned. About 100 soldiers and 20 war horses were wiped out at Lungwa.

*October 15th* The monsoon gradually gained strength in South China, accompanied by a steady drizzle. While cooperating with the expeditionary forces in South China, the Japanese Naval Air Force visited Lufung, Hoifung, Poklo, Tsengshung, Sheklung, Tungkun, Changmutow, Tientong and Wongshak and attacked the Chinese military positions and troop concentrations there. Stationary goods trains were attacked at various points on the Canton-Kowloon Railway.

Other naval air squadrons attacked the Peking-Hankow and Canton-Hankow Railways in Central China. Engine-sheds and tracks were bombed at Yochow (Yoyang), while goods trains were attacked and burned. Kaoan, west of Nanchang in Kiangsi Province, was also attacked where the military barracks were bombed and burned. Military positions at Kewtsin on the left bank of the Siu River in Kiangsi Province were attacked.

Another naval air unit raided Wusheng Pass which forms the border between Honan and Hupeh Provinces, while Kwangshui and Siensung were raided and the railway installations there were bombed. Still another naval air squadron attacked the Chinese military positions at Shihhweiyao and Hwangshuhkang in cooperation with the Japanese naval force pushing up the Yangtze River.

Sunkai on the Canton-Hankow Railway was visited and the steel bridge there bombed, while several goods waggons at Hotowhow and other stations were bombed and destroyed. Shuichow (Kukong) was also raided. Naval air units, which were cooperating with the fresh expeditionary forces in South China attacked two large enemy transports sailing up the East River at a point 5 miles upstream from Wanglihu and burned one of them. The majority of some 700 Chinese soldiers aboard the two boats were wiped out.

*October 16th* Naval air units covered the advance of the Japanese expeditionary forces in South China, by attacking the Chinese military positions and troop concentrations incessantly. One naval plane was lost while engaged in bombing operations northeast of Poklo. The naval air squadron which attacked the Canton-Hankow Railway bombed the military works at Yingtak and wiped out about 300 Chinese soldiers near Tsungfa, armed with 10 field-guns and carried in 30 motor-lorries.

The Chinese military positions in front of the Japanese forces were heavily bombed, while remnants of Chinese troops along the Canton-Kowloon Railway were also attacked.

*October 17th* In South China, naval air units not only covered the Japanese military operations, by attacking the Chinese positions, but bombed the Chinese lines of communication, including the Canton-Hankow and Canton-Kowloon Railways.

Taking advantage of fine autumn weather, naval air squadrons in Central China furiously attacked the Chinese troops north of Teian, halfway between Kiukiang and Nanchang, dealing heavy losses.

Other naval planes, cooperating with the Japanese forces which were pushing up the Yangtze River, bombed and machine-gunned enemy positions, including forts near Shihhweiyao, Hwangshuhkang and Wuwangmuao. The Peking-Hankow Railway was attacked at Hwangshui, Sankiatien and Yangchai, while the Canton-Hankow Railway was raided at Sienning, Yoyang, Chunghopu, Kweiyi, Tungcheng and Chuchow.

In South China, Japanese naval air units cooperated with the ground forces by attacking the Chinese military positions and troop concentrations in front of the Japanese expeditionary forces. In addition, Nanyung, Loh-chong and Shuichow (Kukong) were raided and the Chinese military establishments, including airfields and military barracks there were bombed. Two naval planes were lost in the bombing operations. The steel bridge

at Yuntan on the Canton-Hankow Railway and that at Sheklung on the Canton-Kowloon Railway were bombed. Not a single Chinese plane was to be sighted in the airfields at Paiyun, Tienho and Tungfa. Chinese troop concentrations and military works at and near Tsengshing were effectively bombed.

*October 18th* In South China, naval air units assisted the expeditionary forces by attacking the Chinese military positions and troop concentrations in various parts of Kwangtung Province.

*October 19th* The Chinese positions at Lungmen and Tsungfa and also west of Tsengshing were attacked, while large Chinese reinforcements from Canton were bombed and machine-gunned, together with tanks and motor-lorries. The Canton-Hankow Railway was bombed and cut off at Yuntan, Yinchangyao and Pitsun, while traffic on the Canton-Kowloon Railway was entirely paralyzed. No Chinese planes were observed in the airfields at Tienho, Paiyun and Tsungfa.

*October 20th* In South China, naval air units cooperated with the Japanese expeditionary forces, attacking the Chinese military positions and troop concentrations and also dropping provisions for the Japanese ground forces.

In Central China, naval air squadrons attacked the Chinese military works and troop concentrations along the Yangtze River and also in the fronts north and south of the river.

According to air reconnaissance, the Chinese troops west of Tsengshing, overtaken by disaster, were fleeing in confusion at 3 p.m. Some naval air units attacked the Chinese military positions at Yungyun, to which it was generally believed that the Provincial Government of Kwangtung had transferred its offices. The Chinese military positions west of Tsengshing were attacked in cooperation with the ground forces and Chinese tanks and motor-lorries were destroyed.

*October 21st* In South China, naval air units attacked Chinese military positions and troop concentrations all day long. At about noon, the enemy started dynamiting the factory zones at Tsengpu and Honan in Canton as well as the airfield at Paiyun. Fires started at various places, but the Chinese anti-aircraft batteries in and around Canton kept complete silence. About 40 tanks and many motor-lorries were bombed and destroyed at Lungyentung, Shashih, Shihchih and other places. A large number of Chinese soldiers between Canton and Tsungfa and also between Canton and Fahsien were bombed and machine-gunned, together with many tanks and motor-lorries. Bridges at Tsungfa and other places were burned by the Chinese troops.

In Central China, naval air squadrons cooperated with the naval force pushing up the Yangtze River and the military forces on the fronts north and south of the Yangtze River, by attacking the Chinese military positions and troop concentrations. Particular attention was paid to Echeng, Hwangchow and Tungshan, south of the Yangtze River.

In the front north of the Yangtze River, Macheng, Yunmeng, Sanhokow and Chungkwan were attacked. A large number of armoured cars, motor-lorries and motor-cars were bombed and destroyed between Macheng and Chungkwan.

No less than 3,000 Chinese soldiers were wiped out in South China by

Japanese naval air units, together with about 170 tanks, armoured cars and motor-lorries.

*October 22nd* Japanese naval air squadrons led by Lieutenant Commander Yamagami raided Hankow and effectively bombed about 100 goods waggons at the railway station there. Wuchang was also raided by other naval air squadrons under command of Lieutenant-Commander Tanamachi and about 300 goods waggons at the station there were bombed and destroyed.

Lieutenant-Commander Naito led naval air units in raiding Liangshan in Szechuan Province, where they were greeted by over 20 Chinese planes. The Japanese raiders brought down 5 of them. Four medium- and 4 small-sized planes were bombed and destroyed on the ground. The Japanese raiders all returned to their base safely.

*October 23rd* In Central China, naval air squadrons covered the advance of the Japanese naval force up the Yangtze River and also of the Japanese troops on the fronts north and south of the river. The enemy fort at Paishan was heavily bombed, while Wuchang was again raided.

In South China, the Chinese military positions between Tsungfa and Fat-kong were attacked in cooperation with the ground forces, while the enemy military works on the West River basin, including Koyu and Samshui were bombed.

*October 24th* It was reported that Japanese naval planes deliberately bombed a foreign gunboat at Changsha, but the report proved to be false. Investigation by the Navy revealed that several naval planes bombed a group of junks containing Chinese soldiers at Changsha and that if any damage was done to a foreign gunboat, splinters of bombs which struck Chinese junks possibly hit the said gunboat which apparently must have anchored near the junks, though official information offered by the foreign Powers concerned showed there was no foreign warship at Changsha on October 24th.

Final, sustained attacks were made on the Chinese positions on both banks of the Yangtze River, while some naval air units raided Wuchang and other points on the Canton-Hankow Railway, bombing and machine-gunning trains packed with retreating Chinese troops.

*October 25th* In South China, the naval air force made sustained attacks on Chinese military positions and troop concentrations. Some naval planes were fired on by an enemy torpedo-boat near Tamchow. When the Japanese planes responded, the torpedo-boat displayed the British flag. While watching the boat, the naval planes communicated with the Japanese gunboat nearby.

*October 27th* Seven Chinese torpedo-boats at Mamoi, 10 kilometres north of Samshui, and 2 more enemy torpedo-boats at Suikang, 14 kilometres north of Samshui, were bombed and machine-gunned by naval air units while the enemy military works at Yungyun, Yingtak, Wuchow and Lufung were attacked.

*October 28th* The enemy military positions and troop concentrations along the East and West Rivers were attacked by naval air units. Japanese air reconnaissance showed that Chinese troop movements at and near Yungyun were brisk. Koyu on the West River was visited and the military barracks there were bombed. The hangars at the military airfield there were observed to be displaying the American flag.

*October 30th* Yungyun in Kwangtung Province was visited and the anti-aircraft batteries and gunpowder dumps there were bombed. About 200 Chinese soldiers were wiped out and about 20 military motor-lorries were destroyed, while an enemy steam launch was bombed and stranded near Yifow.

*October 31st* In South China, the naval air force cooperated with the ground forces, attacking the enemy military positions and troop concentrations at various points, including Yingtak, Linping Tzekam and Yungyun.

## DOCUMENTS

### I

*Statement of the Foreign Office Spokesman,  
October 28, 1938.*

IN October of last year the French Government decided on its own volition to prohibit the transportation of arms and munitions into China through French Indo-China. The Japanese Government appreciated this friendly attitude and relied upon the sincerity of the French Government for the actual carrying out of that decision.

However, as there was much to be regretted in the manner of executing the policy, our Government repeatedly called the attention of the French Government. Even during this year the Japanese Government demanded the French Government on two occasions to reconsider its attitude.

Each time the French Government promised the enforcement of the prohibition. But according to reliable information reaching us there continues to prevail a situation which by no means agrees with the replies of the French Government. As the result of the capture of Canton which has intercepted the connection of the Chiang Kai-shek régime with Hongkong, the most important of the routes left for the transportation of arms supply to that régime is one through French Indo-China, and China is reported to be now active there. Our Government is therefore gravely concerned with the possible development of the situation.

In view of the above circumstances the Japanese Government has instructed Ambassador Sugimura at Paris to file a protest with the French Government requesting that Government to take appropriate steps immediately to prohibit the transportation of arms and munitions into China through French Indo-China, and stating at the same time that, in case the French Government fails to take such measures, Japan might be compelled in self-defence to take such measures as she deems necessary.

Foreign Minister Prince Konoe today requested the French Ambassador at Tokyo, Mr. Arsène-Henry, to call at the Foreign Office and conveyed to the latter the same views of the Japanese Government mentioned above.



## II

*The Note of the Japanese Minister to Switzerland, Mr. Eiji Aoyan,  
to the Secretary-General of the League of Nations,  
M. Joseph Avenol, dated November 2, 1938.*

D'ordre de mon Gouvernement j'ai l'honneur de porter à votre connaissance que par suite de la situation nouvellement créée entre le Japon et la Société des Nations par le rapport, adopté par le Conseil de la Société le 30 septembre et qui conclue que les dispositions de l'article 16 du Pacte sont applicables au Japon en vertu de l'article 17 alinéa 3, le Gouvernement Impérial a décidé de cesser la coopération qu'il avait jusqu'ici poursuivie, après son retrait de la Société, avec les organes de celle-ci.

## **LAWS AND ORDINANCES RECENTLY PROMULGATED**

**PRIME MINISTER'S CABINET**

### **Amendment to the Ordinance Relating to the Organization of Customs Officers**

(Imperial Ordinance No. 665 of October 3, 1938)

Imperial Ordinance No. 109 of 1904 made no provisions for the reduction or exemption of fees charged for grants of permits for the establishment of private bonded warehouses and processing-houses. The need for such a provision has come to be felt in the prosecution of the present programme for expanding export trade, and the necessary amendment of the relative Ordinance has now been effected. This has led to the appointment of some extra customs officers who are to attend to matters relating to remission of permit fees.

### **Creation in the Department of Welfare of the Unemployment Relief Bureau**

(Imperial Ordinance No. 667 of October 5, 1938)

In view of the fact that the China Affair and the mobilization of materials in particular has caused considerable unemployment, the Department of Welfare has created within itself a new Bureau devoted to the relief of unemployment. The Chief of the Occupations Bureau in the same Department will be the director *ex officio* and there will be six secretaries and 22 clerks in the new Bureau.

### **Amendment to the Ordinance Relating to Appointment of Temporary Staff Members in Prefectural Offices**

(Imperial Ordinance No. 678 of October 12, 1938)

For the purpose of handling matters relating to the relief of unemployment arising as a result of the present national emergency, this Ordinance provides for the appointment of 50 assistant secretaries in the Employment Exchanges throughout the country and 31 clerks in certain prefectural offices.

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